
Travel & Entertainment

Revenue Procedures and Revenue Rulings

Revenue Rulings

[Revenue Ruling 75-169, 1975-1 CB 59](#), Traveling expenses; substantiation

Principles are set forth that are applicable in resolving problems concerning the substantiation of deductions claimed by individuals for traveling expenses.

[Revenue Ruling 75-432, 1975-2 CB 60](#), Traveling expenses; meals and lodging

Principles are set forth that are applicable in determining, under various factual situations, an employee's deductible expenses for meals and lodging incurred while traveling on business. (Ruling deals with employee's tax home.

[Revenue Ruling 80-212, 1980-2 CB 58](#), Per Diem allowance; away from home

An employee who participated in a 12-month executive training program at various offices throughout the country pending reassignment in a new location was away from home and could exclude from gross income a per diem allowance paid by the employer. The per diem allowance was not wages subject to income tax withholding. (Tax Home example)

[Revenue Ruling 80-333 1980-2 CB 60](#), Commuting expenses; construction worker

The Service will not follow the **Frederick** decision, which held that daily **commuting expenses incurred** over a three-year period by a construction worker who reasonably expected to be laid off when winter came were ordinary and necessary business expenses.

[Revenue Ruling 84-151 1984 CB 247](#), Information return; travel expenses; independent contractor

A payor is not required to file an information return to report amounts paid to an independent contractor for travel expenses that were substantiated to the payor. Rev. Rul. 77-474 amplified.

[Revenue Ruling 89-120 1989-2 CB 66](#), November 20, 1989; 1989-47 IRB Automobiles: Standard mileage rate

The purpose of this revenue ruling is to modify various Rev Rulings with respect to the rules for the substantiation of expenditures for ordinary and necessary expenses of transportation whether or not traveling away from home.

[Revenue Ruling 93-86, 1993-40 IRB 4](#), November 29, 1993; Trade or business expenses:

Traveling expenses: Temporary travel: One-year limitation

The IRS issued guidance on the treatment of traveling expenses. Employment in a single location away from home, which is expected to and does last one year or less, will be considered temporary. Employment expected to last more than one year will be treated as indefinite, regardless of whether the employment exceeds one year. Employment initially expected to last one year or less which is later expected to last longer than one year will be treated as temporary until the date the expectation changes.

[Revenue Ruling 99-7 IRB 1999-5](#), January 15, 1999; Business expenses: Transportation costs: Deductibility: Temporary work locations

Daily transportation expenses incurred by an employee in traveling between the taxpayer's residence and a work location are deductible with respect to travel between the residence and a temporary work location outside the metropolitan area where the taxpayer lives and normally works. If a taxpayer has one or more regular work locations away from the residence, daily transportation expenses are deductible in traveling between the taxpayer's residence and a temporary work location in the same trade or business, regardless of the distance. Finally, if a taxpayer's residence is the principal place of business within the meaning of Code Sec. 280A(c)(1)(A), daily transportation expenses are deductible in traveling between the residence and another work location in the same trade or business, regardless of whether the other work location is regular or temporary and regardless of the distance.

Revenue Procedures

[Revenue Procedure 99-38 IRB 1999-43](#), October 6, 1999

The IRS has updated the optional standard mileage rates for use by employees, self-employed individuals or other taxpayers in computing the deductible costs of operating a passenger automobile for business, charitable, medical or moving expense purposes. The new rates apply to costs paid or incurred on or after January 1, 2000. Also provided are rules for substantiating ordinary and necessary expenses incurred by an employee for local travel or transportation away from home where these costs are reimbursed by an employer or other third party.

[Revenue Procedure 2000-9 IRB 2000-2](#), December 20, 1999

Updated rules explain the circumstances under which employee travel expenses, including lodging, meals, and incidental costs incurred while away from home, will be deemed to meet the substantiation requirements of Temporary Regulation 1.274-5T. Also provided is an optional method for employees and self-employed individuals to use in computing deductible costs of business meals and incidental expenses paid or incurred while traveling away from home.